

AMERICAN HOME MORTGAGE SERVICING  
FILED

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2009 OCT -6 PM 4:40

L. KITACKA, CLERK  
THIRD CIRCUIT COURT  
STATE OF HAWAII

Attorney For Plaintiff  
WILLIAM E. NEWCOMB

IN THE CIRCUIT COURT OF THE THIRD CIRCUIT  
STATE OF HAWAII

WILLIAM E. NEWCOMB, also )  
known as BILL NEWCOMB, )

Plaintiff, )

vs. )

CAMBRIDGE HOME LOANS, )  
INC.; OPTION ONE MORTGAGE )  
CORPORATION, A California )  
Corporation; AMERICAN HOME )  
MORTGAGE SERVICING, INC., )  
DEUTSCHE BANK NATIONAL )  
TRUST COMPANY; JOHN DOE )  
1-10; JANE DOE 1-10; DOE )  
CORPORATIONS 1-10; DOE )  
"NON-PROFIT" ORGANIZATIONS )  
1-10; DOE PARTNERSHIPS 1-10; )  
DOE GOVERNMENTAL )

Case No: 09-1-420K

COMPLAINT; SUMMONS  
(Contract)

1. Truth-In-Lending Violation
2. Real Estate Settlement Procedures Act Violation
3. Home Ownership Equity Protection Act Violation
4. Gramm-Leach-Bliley Act Violation
5. Unfair And Deceptive Trade Practices Act Violation
6. Negligent Or Intentional Concealment
7. Fair Credit Report Act Violation

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I hereby certify that this is a full, true and correct  
copy of the original on file in this office.

  
Clerk, Third Circuit Court, State of Hawaii

EXHIBIT A

AGENCIES 1-10; DOE JOINT	)	8. Breach Of Contract
VENTURES 1-10, Inclusive.	)	9. Rescission
	)	10. Conversion
Defendants.	)	11. Unjust Enrichment
_____	)	12. Breach of Implied Covenant
		Of Fair Play And Good Faith
		Violation
		13. Breach Of Professional Or
		Fiduciary Duty

## COMPLAINT

### A. Jurisdiction

Comes now, Plaintiff above-named, by his Attorney, James Ireijo and complains:

1. Plaintiff William E. Newcomb, also known as, Bill Newcomb ("Newcomb"), is a resident of Kailua-Kona, Island, County and State of Hawaii.
2. On or about October, 2005, Plaintiff procured a mortgage loan from Defendant Cambridge Home Loans, Inc. ("Cambridge"), and/or it's affiliates, for real property located at 77-107 Queen Kalama Ave., Kailua-Kona, HI 96740, TMK: (3) 7-7-17-7, in the approximate amount of \$800,000.00
3. Defendant Cambridge, thereafter and/or at the same relevant times herein assigned, sold, involved, and/or entered into contract with Defendant Option One

Mortgage Corporation and/or with other successor Defendants herein, and who have all entered into the jurisdiction of the State of Hawaii for the purpose of procuring real estate mortgage lending and/or mortgage servicing of loan placement or collection with Plaintiff.

4. Plaintiff Newcomb seeks as his legal remedy, and among other causes of action herein, allegations of respective violations of 15 U.S.C. Section 1601 et seq., the Truth In Lending Act, and as proper jurisdiction of this Court to enforce Plaintiff's rights to rescind a consumer credit transaction, to void Defendants' alleged security interest in Plaintiffs' respective real properties and home, and to recovery statutory damages, actual damages, reasonable attorney's fees and costs of this action by virtue of Defendants' breach and violations. Specifically, proper jurisdiction of this Court is conferred by Defendants', jointly or severally, entering into the stream of commerce at or within the State of Hawaii, and as more specifically designated, the mortgage collateral involves real property at the above address. Therefore, this Court has authority to conduct a trial, and/or to issue a declaratory judgment by virtue of the Hawaii Revised Statutes, common law and by equitable considerations. As stated, Plaintiff further plead jurisdiction of this Court to hear and entertain all federal causes of action herein stated. Further discovery in this case and upon leave of court, will likely result in an application

to further and seasonably amend the Complaint herein.

5. Defendants John and Jane Does 1-10, Doe Corporations 1-10, Doe "Non-Profit" Organizations 1-10, Doe Partnerships 1-10, Doe Governmental Entities 1-10, and Doe Joint Ventures 1-10, Inclusive, are persons, corporations, non-profit organizations, partnerships, governmental entities, and joint ventures, who are unknown parties whose name or parts thereof, Plaintiff has been unable to ascertain but who are or may be necessary parties to this action. At such time as the true names, addresses and capacities of these Defendants become known to Plaintiff, counsel will file an amended complaint naming said necessary parties as named Defendants. Counsel for Plaintiff is filing this allegation pursuant to Hawaii Rules Of Civil Procedure, Rule 17 and the representations contained herein are being made in good faith.

#### **B. Alleged Federal Violations Or Breach**

6. Plaintiff's Complaints arise out of the subject real estate mortgage transactions or servicing involving his aforesaid real property holding. In Plaintiff's case, the transaction is alleged to be based upon dubious and inflated, over-valued, or otherwise fraudulent Income and Expense values, said Appraisal on his property is alleged to be overvalued, the subject Mortgage and payments

amounts are further alleged to be vague and unclear, which subjected Plaintiff to predatory lending practices, exorbitant and unauthorized closing costs and fees, and which threaten Plaintiff to deprive him of his home and real estate, his respective equity, life savings or good credit standing, and other severe damages including emotional distress.

7. The various Defendants, jointly or severally, are alleged to further have engaged in undisclosed, dubious and illegal violations of prudent mortgage loan standards and practices and likely their own respective internal policies of mortgage loan placement to the detriment of Plaintiff herein.

8. In addition to or independent of fraudulent appraisals and/or violations of prudent mortgage loan standards and practices stated above, and the various Defendants engaged in conduct prohibited by Truth In Lending Act, further violations of the Real Estate Settlement Procedures Act, 12 U.S.C. Section 2601 et seq., wherein good faith estimates of required disclosures shall be timely made before loan consummation.

9. Further, violations of the Home Ownership Equity Protection Act ("HOEPA"), 15 U.S.C. Section 1639 et seq. wherein said Defendants engaged of predatory lending practices at Plaintiff's expense by failure to make timely, clear and conspicuous disclosures in writing, and engaging in a pattern and practice of

extending credit to Plaintiff without due regard as his ability to repay in violation of HOEPA and/or other prudent loan practices. .

10. In addition, Defendants violated provisions of the Fair Credit Reporting Act ("FCRA"), 15 U.S.C. Section 1681, et seq., which bars the wrongful, improper, and illegal reporting of negative information to Plaintiff as to his credit reports and the lowering of credit scores.

11. The Defendants further engaged in violations of the Gramm-Leach-Bliley Act ("GLB"), 15 U.S.C. Section 6801 et seq. by release of private financial information and/or allowing fraudulent access to Plaintiff's respective private files and records.

### **C. State Statutory And/Or Common Law Violations**

12. Defendants further engaged in unfair and deceptive trade practices deemed improper by H.R.S. 480-2 et seq., to Plaintiff, a "consumer" herein in the mortgage loan placement or servicing of said loans and are proximately liable for actual and/or treble damages in an amount to be proven.

13. Defendants' further intentionally and/or negligently concealed material information to Plaintiff which was detrimental to this interests and are liable for damages in an amount to be proven.

14. Defendants' have breached their contract with Plaintiff and are liable for breach of contract damages and reasonable attorneys fees and costs.

15. Plaintiff is further entitled to statutory and/or common law rescission and seeks to be made whole in this case.

16. Defendants are liable for conversion of Plaintiff's funds and/or have been unjustly enriched at Plaintiff's expense in an amount to be proven.

17. Defendants have breached the implied covenant of fair play and good faith by their violations of Plaintiff's respective contractual rights and obligations and seek damages in an amount to be proven.

18. Defendants, their affiliates, and/or authorized agents have breached their professional or fiduciary duty of care owed to the Plaintiff, and Plaintiff seeks damage and relief in an amount to be proven.

#### **D. Relief Sought**

19. For the Court to determine by Declaratory Judgment, the parties rights and obligations to the respective mortgage loans or servicing of said loans for the Plaintiff.

20. For general and special damages, compensatory, actual damages, and/or treble or punitive damages in an amount to be proven.

21. For reasonable attorney's fees and costs, and for prejudgment interest to be determined and proven.

22. For such other relief as deemed just and reasonable by the Court.

DATED: Cool, CA, September **29**, 2009.

  
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JAMES TREIJO  
Attorney For Plaintiff

<b>STATE OF HAWAII</b> CIRCUIT COURT OF THE THIRD CIRCUIT		<b>SUMMONS</b> <b>TO ANSWER CIVIL COMPLAINT</b>	CASE NUMBER
PLAINTIFF <b>WILLIAM E. NEWCOMB, also known as BILL NEWCOMB,</b>		vs.	DEFENDANT <b>CAMBRIDGE HOME LOANS, INC.; OPTION ONE MORTGAGE CORPORATION, A California Corporation; AMERICAN HOME MORTGAGE SERVICING, INC.; DEUTSCHE BANK NATIONAL TRUST COMPANY; JOHN DOE 1-10; JANE DOE 1-10; DOE CORPORATIONS 1-10;</b>
PLAINTIFF'S ATTORNEY (NAME, ADDRESS, TEL. NO.) <b>James Ireijo          PO Box 576          Cool, CA 95614          808-961-3277          530-885-4133</b>		<b>DOE "NON-PROFIT" ORGANIZATIONS 1-10; DOE PARTNERSHIPS 1-10; DOE GOVERNMENTAL AGENCIES 1-10; DOE JOINT VENTURES 1-10, Inclusive, Defendants.</b>	
<p><b>TO THE DEFENDANT(S):</b></p> <p>You are hereby summoned and required to serve upon plaintiff's attorney, whose address is stated above, an answer to the complaint which is attached. This action must be taken within twenty days after service of this summons upon you, exclusive of the day of service.</p> <p>If you fail to make your answer within the twenty day time limit, judgment by default will be taken against you for the relief demanded in the complaint.</p> <p><b>This summons shall not be personally delivered between 10:00 p.m. and 6:00 a.m. on premises not open to the public, unless a Judge of the District or Circuit Courts permits, in writing on the summons, personal delivery during those hours.</b></p> <p><b>Failure to obey the summons may result in an entry of default and default judgment against the person summoned.</b></p>			
DATE ISSUED <b>OCT 06 2009</b>	CLERK <b>L. KITAOKA (SEAL)</b>		
I do hereby certify that this is a full, true, and correct copy of the original on file in this office.		CIRCUIT COURT CLERK	



In accordance with the Americans with Disabilities Act and other applicable state and federal laws, if you require a reasonable accommodation for a disability, please contact the ADA Coordinator at the Circuit Court Administration Office at PHONE NO. 961-7440, FAX 961-7416, or TTY 961-7525 at least ten (10) working days prior to your hearing or appointment date.

Reprographics 10/07

SUMMONS TO ANSWER CIVIL COMPLAINT 3C-E-163



**Service of Process  
Transmittal**

10/30/2009

CT Log Number 515652711



**TO:** Eric Spett, Litigation Attorney  
American Home Mortgage Servicing, Inc.  
1525 Beltline Road  
Coppell, TX 75019

**RE: Process Served in Hawaii**

**FOR:** American Home Mortgage Servicing, Inc. (Domestic State: DE)

**ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:**

**TITLE OF ACTION:** William E. Newcomb, also known as Bill Newcomb, Pltf. vs. Cambridge Home Loans, Inc., et al., including American Home Mortgage Servicing, Inc.

**DOCUMENT(S) SERVED:** Complaint, Summons

**COURT/AGENCY:** Circuit Court of the Third Circuit, Kona Division, HI  
Case # 09-1-420K

**NATURE OF ACTION:** Truth in Lending Violation claims, etc.

**ON WHOM PROCESS WAS SERVED:** The Corporation Company, Inc, Honolulu, HI

**DATE AND HOUR OF SERVICE:** By Process Server on 10/30/2009 at 09:15

**APPEARANCE OR ANSWER DUE:** Within 20 days, exclusive of day of service

**ATTORNEY(S) / SENDER(S):** James Ireijo  
P.O. Box 576  
Cool, CA 95614-0576

**ACTION ITEMS:** CT has retained the current log, Retain Date: 10/30/2009, Expected Purge Date: 11/04/2009  
Image SOP  
Email Notification, Eric Spett litigation@ahmsi3.com

**SIGNED:** The Corporation Company, Inc

**ADDRESS:** 900 Fort Street Mall  
Suite 1800  
Honolulu, HI 96813

**TELEPHONE:** 808-534-4414

*ans. dvl  
11/19/09*